



State Workforce Investment Board Minutes

September 24, 2014

7:30 a.m. – 4:30 p.m.

Red Lion Colonial Inn

2301 Colonial Dr., Helena, MT

Executive Room

BOARD MEMBERS PRESENT: Dave Crum, Chair; Dean Bentley; Commissioner Pam Bucy; Tina Bundtrock; Senator Edward Buttrey; John Cech; John Danielson; Al Ekblad; Senator Tom Facey; Paul Gatzemeier; Larry Hall; Jasyn Harrington; Keith HeavyRunner; Jacquie Helt; William Hunt; Billie Lee; Nan LeFebvre; Robert Minto; Loren Rose; Brandon Schmidt; and Scott Trent.

DESIGNEES PRESENT: Margaret Bowles; Nancy Feroni; Jim Marks and Andy Shirtliff

BOARD MEMBERS ABSENT: Dan Bernhardt; Casey Blumenthal; Sarah Calhoun; Kirk Hammerquist; Representative Brian Hoven; Niles Hushka; Denise Juneau; Fred Kellogg; Maureen Kenneally; Representative Ryan Lynch; Mike McGinley; John McKee; Rodney Miller; Meg O'Leary; Richard Oppen; Kim Ormsby; Tammy Pilcher; John Rogers; and Jane Weber.

STAFF: Leisa Smith, Pam Watson, Greg Cano and Chris Wilhelm

GUESTS: Deb Chouinard (Helena Job Service Manager), Lynn Clark (Career Futures, Butte), Suzanne Ferguson (Department of Labor & Industry), Cary Hegreberg (Montana Contractor's Association), Jim Molloy (Senior Advisor-Governor's Office), Ken McLean (Apprenticeship), Lisa Newman (Career Training Institute), Eric Smith (Boeing), Lindsey Woolsey (The Woolsey Group), and Todd Younkin (Research & Analysis).

Welcome and Introductions

Chair Dave Crum called the meeting to order at 8:00 a.m. He welcomed Board members and guests. He also introduced a new Board member: Brandon Schmidt. Chair Crum had each Board member and Staff introduce themselves to Brandon.

Roll call

Roll call was taken by Greg Cano. A quorum was reached.

Agenda

Chair Crum pointed out one change on the agenda. The presentation by the Montana Contractor's Association will be given by Cary Hegreberg, instead of Keith Outzs. Chair Crum asked for a consensus to approve the agenda. Mr. Rose moved to approve the agenda as presented. The motion carried.

Minutes

Chair Crum asked if there was a motion to approve the May 14, 2014 SWIB Meeting minutes. Mr. Gatzemeier made the motion to approve the May 2014 Meeting minutes and Mr. Rose seconded the motion. The motion was carried.

I. Workforce Information Grant

Mr. Todd Younkin, Bureau Chief of the Research and Analysis Bureau (R & A) with the Department of Labor & Industry, presented the draft version of the Workforce Information Grant to the Board. He also reviewed the annual Montana Progress report for 2013 which documents deliverables addressed in the grant. Mr. Younkin explained that R & A is responsible for career and workforce information provided for the state. US Department of Labor Employment & Training Administration (US DOLETA) requests the Commissioner of Labor and the Chair of the SWIB co-sign agreements in support of the grant objectives. The progress report can be viewed on the SWIB website: www.swib.mt.gov.

Chair Crum asked how often the Workforce Information Grant needs approval. Mr. Younkin reported that it needs approval annually.

Chair Crum requested clarification on the timelines for economic projections and forecasts. Mr. Younkin stated projections usually predict out 10 years. Projects are based on such things as industry growth and staffing patterns.

Billie Lee asked what time of year monthly labor statistics and forecasting get posted on the website.

Mr. Younkin stated that projections are due on an annual basis. They were previously due in June. Last year, they moved up the time frame to February. Most states have been adjusting to this... Montana was able to get this out in March. It was reviewed at the National level. If there is any industry or occupation that appears either below or above the Occupational Development Forecast (ODF), Montana gets a chance to review their projections based on all other data sets.

Mr. Cech asked if real time job data was incorporated using tools such as Burning Glass-a website devoted to careers.(Information can be found at <http://burning-glass.com>.)

Mr. Younkin said that Montana is not currently using this tool. There are some challenges with the technology but options are being considered. Most of these tools are expensive.

Ms. Lee made a statement that SWIB should give support to getting the applications out in a timely manner.

Mr. Younkin announced that the R&A website is being re-designed, and is pleased with the number of logins seeking information.

Commissioner Bucy commented that the DLI have been talking internally and with Higher Education about how to better encourage the private sector to use this data for business planning and to make real time data contributions.

Ms. Helt made a motion to approve the 2013 Workforce Information Grant Progress Report. Mr. Cech seconded the motion. The motion carried.

Chair Crum asked to have a motion to approve the (federal) 2014 Workforce Information Grant application. Ms. Lefebvre made a motion to approve the grant. Mr. Rose seconded the motion. The motion carried.

11. National Governor's Association Meeting Report

Chair Crum reported on his attendance to the National Association of State Workforce Board Chairs 2014 Summer Annual Meeting in Louisville, Kentucky. The meetings were sponsored by Indiana and Kentucky.

Chair Crum also shared workforce development activities occurring in Great Falls and the low unemployment rate in Great Falls at 3.9 %.

Senator Edward Buttrey asked a question about the unemployment number that Chair Crum mentioned. He stated he understood the unemployment numbers have not adequately included military families.

Chair Crum stated that he had no idea whether those families were included in the numbers reported.

Senator Buttrey pointed out that everything possible should be done to include this information within the data.

Commissioner Bucy said she would find out whether the military families were included in the unemployment figures in the Great Falls area.

Mr. Younkin stated that the Bureau of Labor statistics collects the data for the unemployment rate and does attempt to include military families. Claimant data and information from the Current Population Surveys (CPS), which is a household survey, is used; so if one of the military families is called to participate in the survey, they are included in the sample. On the CPS, the Montana sample is so small that to turn around and provide data on those families probably isn't going to be available because the sample is so small, that everything becomes either not releasable or not statistically valid.

Ms. Lee stated the unemployment rates on Indian reservations do not reflect the true economic picture of the area and how that data is collected. It is really difficult to get that information, but it is skews how we view our unemployment statistics in that area. This especially true in Lake County, where it's 90% within the confines of the Indian

Reservation. It also affects Missoula, Sanders, Flathead, and those on the adjoining parameters.

Keith HeavyRunner commented that the unemployment rate is sky high on the Reservation and also with the Veterans.

Mr. Younkin replied that the U.S. DOL does collect information annually on the Veteran unemployment rate. One of the last reports that came out showed that Veterans were not statistically different unemployment wise from the rest of the population. Again, those numbers are based on survey responses and U.S. DOL has determined that there are so many caveats that they are not necessarily statistically valid. Tribal data can also be challenging. For example, there is one reservation in the state that has a tribal unemployment insurance program and we are not able to access this data. For reservation unemployment rates, in order to be consistent, the State does follow the U.S. DOL's guidelines and definitions. The reservations still have higher unemployment rates and are some of the most economic sensitive areas of the state.

Senator Buttrey made a side note saying that the overall number of unemployed Veterans is similar to the non-Veteran population. It should be stated that the folks exiting Title 10 active duty service and the folks coming back from deployment Title 32-their unemployment rate is extremely high-in the 20 something percent, so there are some groups that are working to address that situation.

Commissioner Bucy clarified that Veterans in Montana have a lower unemployment rate than nationally. In regard to Indian Reservation unemployment, part of the Main Street Montana Project will be addressing how to more accurately capture the number of individuals who apply for unemployment insurance. The problem is, because of the definition of who is in the workforce, it doesn't capture a lot of unemployment. It doesn't address individuals who are no longer looking for work, so the definition has a big impact in Reservation communities. Part of the Lieutenant Governor's role in these meetings is to try to more accurately capture that population. We might try to pilot with a couple of Reservations and work with them in capturing accurate figures within their own workforce systems.

Chair Crum discussed the Round Table Discussion results from the May 14, 2014 Meeting. Several challenges struck him. Most workers today change jobs 5-7 times in their lifetime. Most grown adults cannot afford to go back to school. We need to recognize that we have generational differences in the educational setting involving learning styles. Workers need more than a high school diploma-they need certificates that mean something in post-secondary education by way of stackable certificates. We need partnership, coordination and interactions between schools, government and private businesses-this was emphasized at the National Governor's Association. Montana is figuring out how education and traditional apprenticeship programs can work together. Regarding WIOA, the role of community colleges is big-bringing economic development, education and workforce development together to move economic development in jobs across the state is within the law. Chair Crum also stressed the

importance of private sector engagement citing Hitachi-90% of workforce development is done within the private sector.

Senator Facey asked how we are interacting with local economic development groups and communication between the counties.

John Cech reported that another program that he's working on and this board voted to endorse several years ago is the Strengthening Workforce Alignment in Montana's Manufacturing and Energy Industries (SWAMMEI) project funded by the U.S. DOL. The grant includes a consortium of 13 colleges and is addressing the advanced manufacturing and energy workforce. There are now 100 businesses and industries coming together as partners. There are close to 700 students enrolled this fall. The administrators of the two year colleges work very closely with their local economic development authorities who are trying to respond to the needs of our communities.

Commissioner Bucy views the SWIB as an aligner- an entity that will help coordinate all of these workforce development projects. Receiving reports from local Commerce is a very good idea. Coordination between local economic development offices is a major complaint throughout the Main Street Montana Meetings.

Senator Buttrey commented John Rogers, Chief Business Development Officer from the Governor's Office, could perhaps be tasked to provide the SWIB brief updates on local economic development activities.

Ms. Lefebvre expressed the importance of job seekers knowing how to accurately complete job applications. Local Job Service offices are a fabulous resource.

III. Montana Contractor's Association Update

Cary Hegreberg, Executive Director of the Montana Contractor's Association (MCA) which is also a Chapter of the General Contractors of America presented to the board on their new statewide campaign advertising and targeting parents, young people and educators for the recruitment of students into the construction trades. The website steers young people toward specific 2 year colleges and their education and apprenticeship programs. <http://www.letsbuildmontana.com>. MCA represents construction companies that build schools, hospitals and highways-almost everything except houses. Mr. Hegreberg explained the impacts to his industry during the recent recession. They watched construction employment in the state plummet by roughly 40 % from 2007-2013. A huge migration of construction workers and companies moved to Wyoming, western North Dakota and eastern Montana. As the economy turned around, there was and is a huge shortage of skilled workers i.e., carpenters, electricians, heating, ventilating, air conditioner, boiler makers, and welders along with truck drivers. Most of his member companies require drug testing which has also been a challenge. MCA administers the National Center for Construction and Education Research (NCCER) Curriculum in Montana. John Cech has been instrumental in helping get their curriculum into the

schools. Mr. Hegreberg proceeded to show examples of this statewide campaign including audio and video clips. He encouraged everyone to look at the website and provide feedback.

Mr. Hegreberg is hoping to secure support from the K-12 school system, higher education, the legislature and private sector. MCA does have a 501C3 Charitable Education Foundation that can accept grants from private entities and Government organizations to help augment the program.

Mr. Cech shared several concerns from the national level. Data from the Center for Community College Research at the University of South Carolina is suggesting that males pursuing post-secondary opportunities in the career and technical field are decreasing. Male participation in post-secondary education; generally nationwide is decreasing. Female participation is increasing significantly at all levels. The two-year colleges are trying to increase overall participation and the inclusion of non-traditional participants-females. Big Sky Pathways program is trying to create some pathway opportunities for those high school career and technical education programs for those students to understand their post-secondary and career opportunities. He mentioned that Billings, School District 2, has a career center that is attempting to meet the needs of its students. They are integrating with the college to create a front focus on the Career and Technical Education opportunities in the high school providing dual credit.

Ms. Bowles, from Adult Basic Education, stated that her program offers, for free, the opportunity to receive instruction to improve basic skills. Once students earn their high school equivalency diploma, ABE helps prepare them for entrance exams or whatever it takes to get into post-secondary programs. She encourages collaboration between private sector and education to make career pathways happen.

Mr. Hegreberg agreed that those are the kinds of programs his company is interested in pursuing. He said that many of the trades provide health insurance for the entire family as well as a retirement package.

Commissioner Bucy reiterated the importance that industry guided curriculum and specific trade needs play in regard to collaborating with the DOL and Higher Education. There are soft skills tests that are being piloted around the state-as a result of industries relaying that employees are not possessing the employability readiness skills they need to be successful in their work. She would appreciate industry feedback. She wants the tests to be meaningful.

Mr. Hegreberg commented that he heard earlier the importance of earning a certificate. The NCCER Certificates are recognized by construction companies and various lawyers across the United States. This is usually industry standard for accreditation. This is why they are pushing secondary and post-secondary schools to adopt their curriculum. By beginning instruction in high school, the student can attend college for one year and earn the certificate.

Mr. Ekblad discussed concerns about the difficulty people were having with the educational requirements and qualifying for Apprenticeship programs. Individualization of curriculum within a specific trade and its skills/competencies seems to be the answer.

Mr. Hegreberg commented that his sister organizations in some states have actually started construction charter schools. The entire curriculum is based around construction and the math and English curriculum needed to achieve certification while earning your high school diploma. It's funded by private contributions through the construction company.

Mr. HeavyRunner asked about the programs progress in regard to involvement in the Tribal colleges.

Mr. Hegreberg responded by saying the Salish Kootenai College has been very active and MCA sends consultants to work with the instructors at least once a year. They are anxious to bring the tribal schools into the NCCER curriculum. There are a lot of programs that encourage the hiring of minority workers and minority owned construction firms- particularly federal contracts. We're encouraging individuals to get into the construction industry through those avenues.

Senator Facey commented that presentations like these need to be shown at the NEA-MFT meetings held in October of each year.

1V. Main Street Montana Update & Alignment

Jim Molloy, a Senior Advisor for Governor Bullock, thanked all SWIB board members on behalf of the Governor.

In May of 2014, the Governor issued an executive order directed to every one of his agencies to make the Main Street Montana Project their priority and focus. Agencies are looking at regulations and permanent processes that can be eliminated, streamlined or improved. However, government does not create economic activity; the private sector creates economic activity.

Mr. Molloy went on to discuss principles, pillars and Key Industry Networks (KIN'S).

Within each Pillar are sets of goals, objectives and tasks. Many of the tasks set forth require government participation, however; many of the tasks require private sector, DOL and Education participation. How is that plan being implemented?

There are basically 4 dimensions to the implementation effort. They are:

- # 1: Key Industry Networks (KIN)-a private sector effort,
- # 2: Regional efforts,
- # 3: Efforts with the Tribal nations and
- # 4: Government.

The challenge or task is to convert the plan into deliverables and action.

(See <http://www.mainstreetmontanaproject.com> to read the entire document.) He encouraged everyone to read the plan in its entirety.

Mr. Ekblad asked how SWIB can help Mr. Molloy and the Main Street Montana Project. Mr. Molloy suggested that the SWIB mission could provide input or advice concerning **Pillar # 1-Train and educate tomorrow's workforce today**. Commissioner Bucy has said that she wants a SWIB member who meets the criteria participating in the KIN's.

Moving forward, Mr. Molloy stated that they asked Pam Watson for a SWIB email distribution list so that SWIB members can receive any pertinent information regarding the Main Street Montana Project. The expectation is not only to be educated, but also to address any comments, concerns and/or questions regarding the material received. They want your feedback!

V. Sector Partnerships/Career Pathways

Lindsey Woolsey from the Woolsey Group, presented:

Sector Strategies 101: What, Why, How and Impact. Her Power Point presentation can be found on the following link:

<http://www.swib.mt.gov>

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There was discussion about different strategies to use to find those "champion" business owners who were willing to step it up and begin initial meetings and conversation with competitors in their industry. Other board members shared that they had already began conversations with competitors in their regions.

V1. WIOA Reauthorization

Chair Crum asked the open-ended question: what are the implications for Board members both collectively and individually in regards to WIOA?

Lindsey Woolsey from the Woolsey Group, presented:

Whoa WIOA! An Overview of the Workforce Innovation & Opportunity Act. Her PowerPoint presentation can be found on the following link:

<http://www.swib.mt.gov>

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Discussion topics included:

WIOA has 4 required Federal programs:

- Adult & Dislocated Worker Funds
- Adult Education & Literacy funds
- Wagner-Peyser (Employment Services)
- Vocational Rehabilitation

The 10 Key Features of WIOA:

1. 4 year unified strategic plan
2. Common performance metrics
3. Enhance American Job Center System
4. Align work development programs with regional economic development strategies
5. Promote sector partnerships and career pathways
6. Emphasize work-based learning
7. Increase flexibility in funding and how jobseekers are served
8. Increase emphasis on out-of-school, out-of-work youth
9. Improve services to people with disabilities
10. Streamline and strengthen the role of boards

Chair Crum asked if industry identifies certification, does Education recognize these certifications. Board members from Education services answered yes to this question. Ms. Woolsey cautioned about Credential Chaos-literally thousands of certificates and how credible are they? Tackle this issue on an industry by industry basis-go with industry needs.

Ms. Woolsey next discussed ways for Board members to get involved and the roles and functions of a Policy Board.

Strategic Next Steps Discussion

Ms. Woolsey asked a series of questions and wanted to track the responses with the intent to find out what is the opportunity to really create a Montana SWIB that functions with the intent of WIOA, and also functions with the intent of what WIOA means to Montana.

Question #1: What are you excited about?

- Eastern Montana representation
- Addressing the need to eliminate duplication and identifying gaps in resources and services
- Interconnectivity with the Governor's Main Street Montana Project and key industry networks
- Identifying and building upon regional sector partnerships
- WIOA presents a paradigm shift and requires partnerships especially between education and business and industry
- Working with business and industry to identify the common denominators for a skilled workforce - alignment
- Following demand and finding ways to best use resources resource dwindling funding i.e., Saturation of graduates compared to jobs/scale back to reinvest into other programs
- Apprenticeships, On-the-Job Training, and Internships sound like opportunities that satisfy both the public sector and job seekers
- Reaching out to undereducated, underemployed and Adult Education populations and engaging in career pathway opportunities for career advancement

Question #2: What do you need more information about?

- Why SWIB is considered a “NEXUS?” (The convener of Education (early childhood, k-12 and higher education), Economic Development, Workforce Training (apprenticeship, incumbent worker training, other federal and state funded programs, business and industry.
- Please forward on Lindsey’s PowerPoints
- Labor workforce programs (what is out there, how recruit, retain and success rates)
- Programs and Opportunities i.e., Incumbent Worker, Apprenticeship, Work Experience, Internships, Shadowing
- Sector Strategies – stakeholders, partnerships etc.
- Accreditation - what’s transferable i.e., apprenticeship & 2 year degrees and where is there duplication i.e., armed forces (honoring training, certification and past experience)
- Need a clearing house to see the interconnectivity and what may be falling through the gaps and not aligned i.e., local, regional, state, public and private economic development agencies
- Knowing projects the SWIB can endorse i.e., Early Childhood Education, STEAM (STEM), internships
- Funding and Budgets
- Resources for small business

Question #3: What will make the SWIB a good Board?

- Attendance
- Organized meetings
- Having “something to do”
- Open Discussion and sharing of ideas
- Opinions and ideas must go “somewhere” and know that they matter
- Functional Committees that bring back information for the full Board
- Measureable and attainable goals
- Check assumptions

Question #4: What are your next steps?

- Executive Committee will review and develop draft Mission Statement – need to know what we do and how the parts fit
- Based on the SWIB mission committees should move forward on their own goals and objectives (how fit into bigger Board missions/vision)
- Board members return to their communities to better learn about their economies and the needs of business and industry
 - Talk to ten people, record their comments and bring back to SWIB
- Communicate need for increased Incumbent Worker Training funding at the upcoming Legislative session. (Note: Legislative rule and responsiveness can be slow to current workforce, economic development and education needs. Need more flexibility especially in times of transition and economic challenge. Hard to make adjustments once “set in stone.”)
- Identify SWIB initiatives (high impact)
- Review the Ten Key Features of WIOA

With no further discussion, Chair Crum dismissed the meeting at 4:30.